02 CONSULTING

City of Atlanta

Technology Management Process Review and Redesign

Interim Report Executive Summary

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Agenda

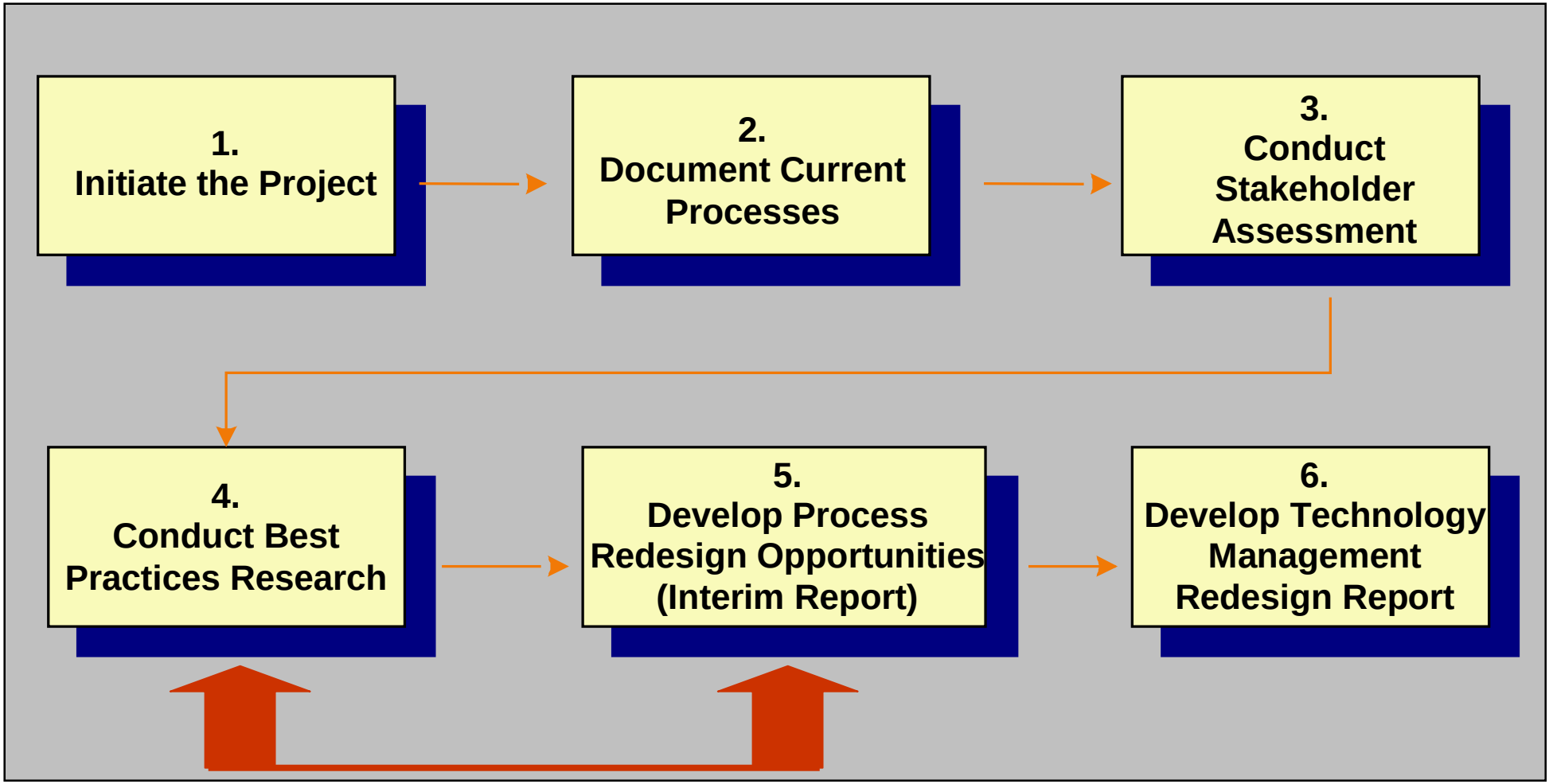
- Project Objectives, Approach and Status
- Overview of Current IT Environment
- IT Management Issues
- Value of Technology Management Process Redesign
- Preliminary Selected Opportunities for Improvement in Key Technology Management Processes

Project Objectives

- **Understand, document and redesign these key Technology Management processes:**

1. **IT Strategy Development**
2. **Annual IT Planning**
3. **IT Architecture Development**
4. **IT Products and Services Management**
5. **IT Operations Management**
6. **User Training and Support**
7. **IT Unit Management**
8. **Telecommunications Management**

Project Approach and Status



Overview of Current IT Environment

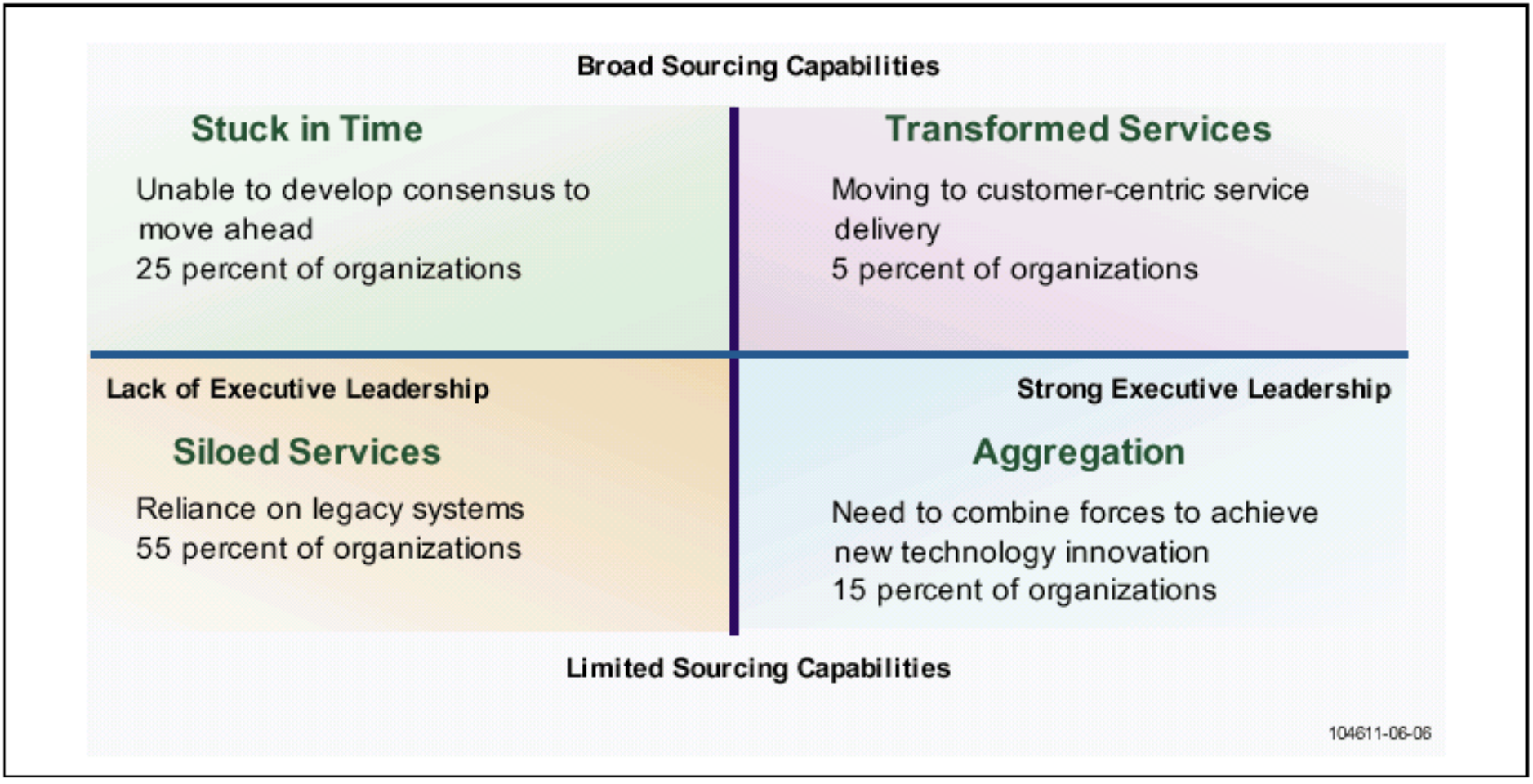
- **Following are the City's estimates of the current IT environment (provided in the RFP for this project). The City is currently conducting an IT Survey to update these figures.**
  - 4,700 IT Users
  - 3,700 Desktops
  - 140 Servers
  - 112 IT staff members
    - 50 IT staff in the Bureau of Management Information Systems (BMIS)
      - Prior to 1996 there were approximately 80+ people in BMIS
    - 68 IT staff in City Departments (outside BMIS)
  - 7 Help Desks (in BMIS and in the Departments)
  - 5+ Computer Training Classrooms and Programs
  - Estimated Citywide expenditures on IT are $20 - $25 million

IT Management Issues

- **The City's current IT Governance mechanism is not effective, which has resulted in "islands" of technology throughout the City.**
- **The City has no mechanism for tracking Citywide IT expenditures.**
- **IT Organization:**
  - The City's has not centralized IT responsibilities that should be centralized, or decentralized IT responsibilities that should be decentralized.
  - Staffing levels for BMIS have steadily declined in recent years, and little or no training has been provided to remaining staff.
  - City IT compensation levels are not competitive with other employers in the region.
- **The City's communication infrastructure (telephones and e-mail) does not allow City staff to effectively locate and communicate with other employees.**
- **The City does not use rigorous processes for planning and managing large-scale system implementation projects, leading to projects that are overdue and provide less value than expected.**
- **The City has a vast amount of information that could be shared among Departments and with the public, but the technology infrastructure will not allow it. Potential additional revenue streams could be created for the City if this information could be properly aggregated, analyzed and packaged.**
- **The City does not have an adequate disaster recovery plan, putting the City's key information assets at risk.**

State and Local Government IT Trends

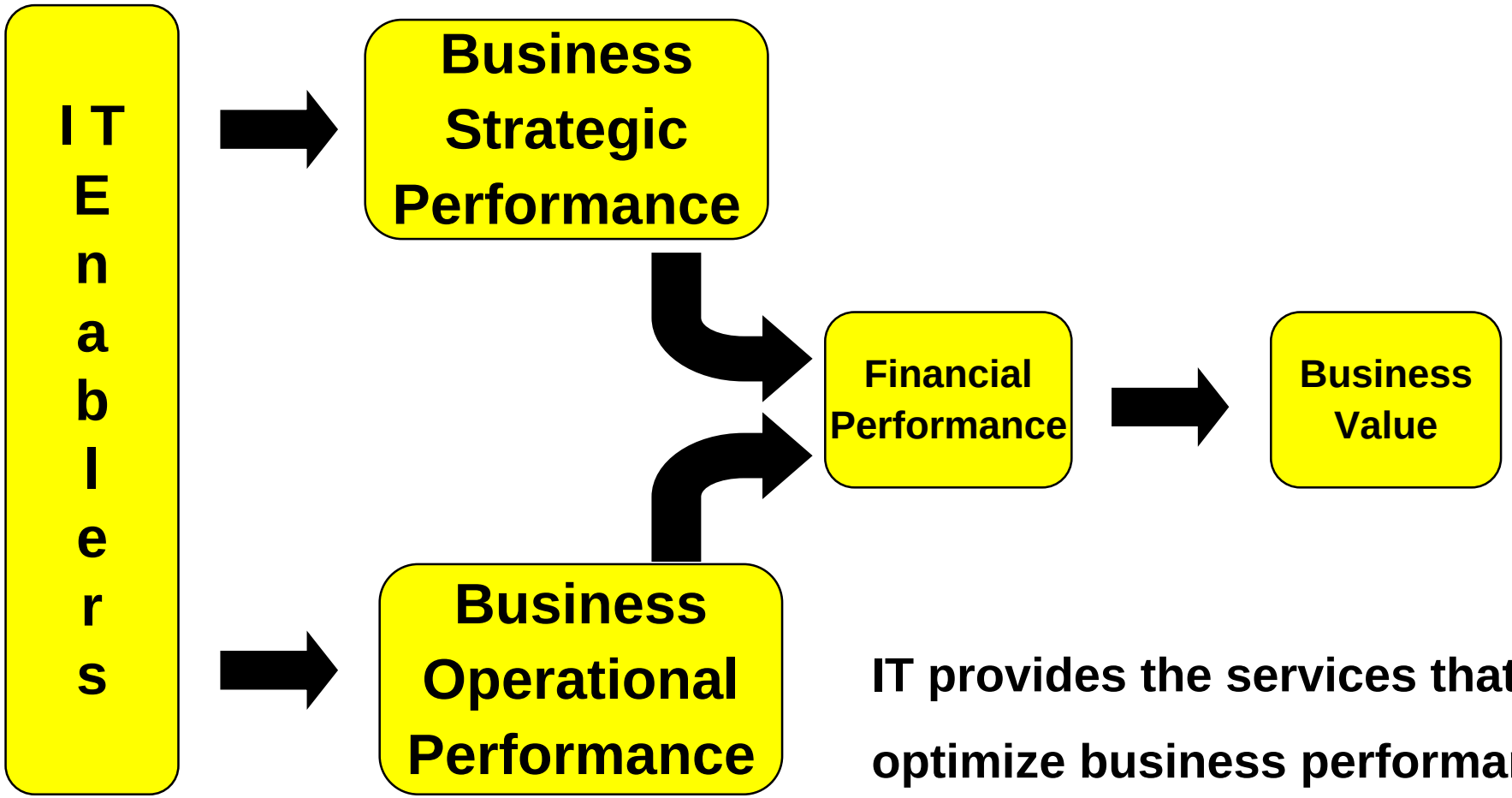
Four Worlds of State and Local Governments



Value of Technology Management Process Redesign

- **The true value in redesigning technology management processes is in enabling City Departments to effectively use technology to improve service delivery processes.**
  - The value of redesigning technology management processes cannot be based solely on traditional measures.
- **Expected value of redesigning technology management processes include:**
  - **IT Strategy Development:** Planned, coordinated IT initiatives and purchases
  - **Annual IT Planning:** Annual budgeting that is based on the IT Strategy
  - **IT Architecture Development:** Systems that can share data, minimization of vendors
  - **IT Products and Services Management:** Clear menu of services with Service Level Agreements
  - **IT Operations Management:** Managed IT assets, secure systems and data
  - **User Training and Support:** City staff with good computer skills, and knowledgeable, professional help desk support
  - **IT Unit Management:** Adequate numbers of well-trained IT staff
  - **Telecommunications Management**: Reliable network and telephone systems

Value of Technology Management Process Redesign



IT provides the services that can optimize business performance

Value of Technology Management Redesign

"The one ace in the hole is that technology has not been used as effectively in Atlanta as in other local governments around the country. Implementation may add even more pressures to the budget, but it will lower costs over time."

Donald Ratajczak, commentary, The Atlanta Journal-Constitution, Sunday, Dec. 2, 2001

Value of Technology Management Process Redesign

- **What is the cost of ineffective Technology Management Processes?**
  - $10 - $20 million in incorrect, uncollectable sanitation service bills due to incorrect addresses, incorrect amounts, double billing, no billing, etc.
  - $10 - $12 million spent on implementing PeopleSoft (when original budget was $4 million), and the system still does not meet City expectations.
  - $300,000 spent each year on paper for printing mainframe reports in BMIS, some of which could be avoided by automating key business processes.
    - Several computer printouts and reports are loaded onto a cart and delivered by a person to each floor and department.
  - Duplicate systems and services
    - The City has at least 6 separate GIS systems and none are interfaced.
    - The City has 5 e-mail domains making communication within the City difficult.
    - MARS/G financial system is used by the City while Oracle Financials is being implemented by the Airport, potentially including a separate General Ledger module.
    - 7 Help Desks exist throughout the City.
    - 5+ Computer Training Classrooms and Programs are in operation at the City
  - Lawsuits have occurred due to incorrect billing of citizens for storm drains/storm water.
  - Completely manual or under-automated business processes throughout City Departments use valuable staff time that could be used to reduce backlog or provide better customer service.

Preliminary Selected Opportunities for Improvement in Key Technology Management Processes

- **IT Strategy Development Process**
  - The IT Strategy Development process is not recurring or Citywide.
    - Last strategic plan was done in 1996 (updated in 1997) and the result was not accepted by Departments as a Citywide plan.
    - Some Departments have developed their own IT strategies (e.g., Police, Airport).
  - The City has no Business Strategic Plan to act as a guide for the IT Strategy Development process.
  - Based on current City technology infrastructure and disparate databases, it would be impossible for the City to implement e-government at this time.
- **Annual IT Planning Process**
  - Since there is no updated IT strategy, the City does not undertake Annual IT Planning. The City does annual IT budgeting, but this is done only on a Departmental, not Citywide, basis.
- **IT Architecture Development Process**
  - The City has no enterprise-wide IT Architecture Development Process. Individual departments have their own architectures.
    - This has resulted in a variety of domains and systems that cannot easily share information.
    - Numerous vendors provide the City with technology products and services.
    - The City does not leverage it's technology buying power because it uses so many different vendors and does not get the benefit of volume discounts.

Preliminary Selected Opportunities for Improvement in Key Technology Management Processes

- **IT Products and Services Management Process**
  - The City currently has an ad hoc process for IT Products and Services Management. Products and services are not planned, communicated to customers, or monitored in an organized fashion. There are no service level agreements to articulate the type and level of service to be provided.
  - No inventory exists of the Products and Services offered by the City technology departments/divisions nor a vision of what they should be offering in the future (e.g. e-Government).
- **IT Operations**
  - The City has no fixed asset inventory.
  - The City has no capacity planning process.
  - The City does not use a formal change management process to control changes to systems and applications.
  - No tools are used for network and system management to proactively identify system problems before they are reported by users.
  - The City has a minimal Technical Support function. Since Technical Support staff left City service, the City has partially back-filled the function through a contractor (at $400,000 per year).

Preliminary Selected Opportunities for Improvement in Key Technology Management Processes

- **User Training and Support Process**
  - IT training for users is decentralized and reactive.
    - 5+ Computer Training Classrooms and Programs are in operation at the City.
  - There are duplicative Help Desks (7) throughout the City, and the City's main Help Center does not use modern Help Desk software.
- **IT Unit Management Process**
  - The IT chargeback process is not related to actual usage, and does not help to manage demand.
  - BMIS has not been able to hire needed staff members due to non-competitive salaries and lack of resources. Training for remaining BMIS staff members has been minimal.
  - Workload for BMIS has increased while staff has gone from approximately 80+ to 50 in three years.
- **Telecommunications Management Process**
  - City telecommunications is managed by the Bureau of General Services (BGS) while the City WAN is managed by BMIS. There is no official WAN budget.
  - BGS purchases and installs network circuits. This may lead to slow resolution of user problems and poor documentation of the entire network.

Next Steps

- **Redesign Key Technology Management Processes**
- **Develop Implementation Plan**

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